GOVERNMENT OF INDIA
SHIPPING, ROAD TRANSPORT AND HIGHWAYS
LOK SABHA

UNSTARRED QUESTION NO:2745
ANSWERED ON:05.12.2007
AUTONOMY TO MAJOR PORTS
Gaikwad Shri Eknath Mahadeo;Mane Smt. Nivedita

Will the Minister of SHIPPING, ROAD TRANSPORT AND HIGHWAYS be pleased to state:

(a) whether the Union Government proposes to give financial and functional autonomy to major ports as reported in the Business Standard dated October 22, 2007;

(b) if so, the details thereof and the reasons therefor;

(c) the time by which the proposal is likely to be cleared; and

(d) the limit of FII investment in this sector?

Answer

MINISTER OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI T.R BAALU)

(a) to (c) : A Bill was earlier introduced in the Lok Sabha on 31.08.2001 to amend the Major Port Trusts Act, 1963 by bringing in enabling provisions to facilitate corporatisation of Major Ports. The Bill was referred to the Department Related Parliamentary Standing Committee on Transport, Tourism & Culture for examination. The report of this Committee was submitted to the Parliament in February, 2003. While the Government was formulating its response to the observations and recommendations given in the report, the 13th Lok Sabha was dissolved. Consequently, the Bill lapsed. The Government decided to conduct an evaluation of the performance of Ennore Port Limited (EPL), which is a company, by a Committee of Experts. The Committee has submitted its Report, which is under examination of the Ministry.

(d) : Foreign Direct Investment upto 100% under automatic route is permitted in projects for construction and maintenance of ports and harbours.